The two pay telephones at issue here have been out of service since August 15, 1996. Despite deriving no revenue, Teleplex must continue to maintain the equipment and make payments to the tenant who grants permission for placement of the instruments. This is an intolerable situation. The Commission is respectfully urged to resolve this issue promptly so that the service to which Teleplex is entitled under the law can and will be provided.

Sincerely,

Keith J. Roland

KJR:tlm
cc: Daniel M. Martin
Dennis Novick

FILE COPY

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June 11, 1997

Hon. John C. Crary
Secretary
New York State
Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Complaint of Independent Payphone Association of New York against New York Telephone Company - Breach of Sections 91 and 92 of the Public Service Law

Dear Secretary Crary:

This is in response to the separate filings made on June 9, 1997, by New York Telephone Company and by Empire City Subway Company, Ltd. (ECS), in this proceeding.

Empire City Subway Comments

ECS argues that because this Commission may not directly regulate its rates, the Commission must walk away from the unjust and unreasonable practices employed by ECS at the behest of its parent, New York Telephone. That claim ignores the fact ECS is the instrumentality and alter ego of New York Telephone, and the manner in which New York Telephone exercises its absolute control

over ECS is fully subject to this Commission's jurisdiction.[1] Thus, while the Commission might or might not be able to issue an order against ECS, it could certainly issue an Order against NYT requiring certain results.

From ECS's own pleading, it can be seen that it simply is unwilling to install conduit for New York Telephone's competitors, despite the fact it has done so for its parent. While ECS claims that IPP's have not been "inhibited" in any way from utilizing outside contractors, the evidence is otherwise.

ECS asserts that its manhole point-of-entry procedures are reasonable, and alleges that all ECS seeks is to (i) approve the location of the manhole penetration, (ii) assure that the outside contractor performs the penetration in a workmanlike manner, and (iii) inspect the work once it is completed. On their face, such procedures do not appear unreasonable. But ECS appears to be going far beyond those requirements, and even insisting that one of its personnel be physically present to observe the work being done by the outside contractor. That contractor (and ultimately the IPP) will have to pay this ECS "supervisor" at rates around $160 per hour (because work must be done on an overtime basis)

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[1] The very nature of the supervision and control of ECS by New York Telephone is demonstrated by the pleading filed on its behalf. That pleading was signed by an attorney who is employed either by New York Telephone or NYNEX, and who utilizes the offices of New York Telephone at 1095 Avenue of the Americas.

simply for standing around watching a certified contractor do routine work. That is not reasonable, and the oppressive burden it places on competitors suggests that New York Telephone is behind that requirement so that its competitors will find it economically impossible to install competing pay telephones.

ECS also asserts that it does not discriminate against IPPs, because New York Telephone's PUBCOMM does not "currently" use ECS to construct subsidiary conduits and "has not done so for years". That may or may not be true.[2] But if true, the reason may simply be that New York Telephone is not currently installing new curbside pay telephones which require subsidiary conduit. In the past, ECS may have been extremely active in installing subsidiary conduit for New York Tel pay telephones; but now that competitors are eligible to install curbside phones, ECS suddenly decides it is unable (or more likely unwilling) to do that work.[3]

ECS simply fails to offer a believable explanation as to why its new, burdensome procedures just happened to be issued coincident with the request by independent certified contractors that they be permitted to penetrate manholes and install subsidiary conduit

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[2] NYT, in its pleading, only says that it has generally not hired ECS to place subsidiary conduit. That suggests it does use ECS on occasion - which conflicts with ECS' version.

[3] It would be very interesting to determine exactly what time frame ECS does in fact use when it installs (supposedly non-pay telephone) New York Tel subsidiary conduit.

for IPP curbside installations.

Notwithstanding the "factual" assertions of ECS, a number of issues of fact remain to be resolved. As indicated above, these include the extent to which ECS does in fact act as the alter ego of New York Tel; the extent to which ECS does in fact do work for New York Telephone (either in connection with curbside telephone installations or other users of subsidiary conduit); and the performance of ECS on New York Tel jobs, including the timeliness of those installations.

Furthermore, serious factual issues have arisen regarding the manner in which ECS certifies contractors to install subsidiary conduit, and whether it imposes burdens on contractors working for IPPs which have not in the past, and are not currently, being imposed on contractors who install subsidiary conduit for other customers.

Thus, a full investigation is necessary into the relationship between New York Telephone and ECS regarding ECS' refusal to install conduit for IPPs, and the sudden revision in ECS procedures applicable to contractors working for IPPs. In this regard, the nature of New York Telephone's direction and control of ECS is fully within the jurisdiction of this Commission, and

should be investigated in depth.[4]

New York Tel Response

New York Tel first argues that its PSC No. 900 Tariff, Section 14.E.4, requires the IPP to pay for conduit "...where local, municipal, or county law, ordinance or regulations specifies that circuits be placed underground between a building to be serviced and the telephone company's general distributing plant, and the undergrounding of utility plant is not otherwise required by state law, ordinance or regulation..."

However, the company then goes on to argue that an IPP payphone pedestal "can in no way be considered a building" (NYT letter, pg. 6). Thus, if, as New York Tel says, the pedestal is not a building, then tariff Section 14.E.4 does not apply, and the IPP is not responsible for paying for the subsidiary conduit.[5]

There are other reasons for reaching this conclusion. As demonstrated in prior correspondence, New York Telephone has not

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[4] In the NYSCTA v. PSC case, 87 A.D.2d 288, the Court only indicated there were "no factual allegations" that NYT was treating ECS as its instrumentality. That was then. Here and now, there are such factual allegations, and the Commission should take evidence on that issue.

[5] Even with respect to "buildings", NYT has not demonstrated that its practice is to charge a building owner for the cost of underground conduit into the building's basement. Further evidence on the actual practice in this area is necessary.

previously attributed the costs of subsidiary conduit to the investment of its own pay telephones when offering cost studies intended to show pay telephone service is not subsidized. Thus, by not including conduit costs in those studies, New York Tel is acknowledging that the expense of conduit is not borne by a pay telephone installation.[6]

New York Tel also asserts that an IPP is not a "normal" business customer because the curbside pedestal would not remain in place should the IPP decide to discontinue service at that premises. That statement is misleading. Under the New York City Franchise Law, an IPP obtains the right to operate for up to fifteen years, and is as "permanent" a customer as a newsstand which receives similar authority to operate at curbside. Indeed, the very fact that an IPP has gone through the effort and expense to obtain a New York City Permit to operate a pay telephone at a particular location attests to the value of that location. If, for any reason, the IPP does discontinue service, it may remove its own pedestal, but the location will be utilized by a subsequent franchisee using <u>its</u> pedestal.[7]

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[6] As an additional matter, NYT did not include any "special construction charges" in its cost studies.

[7] New York Tel's assertion that if an IPP installation is disconnected, New York Tel will "pull the cable" and "cap" the manhole may or may not be correct. But New York Telephone will certainly not be removing the subsidiary conduit. Any "capping" can be readily undone, and the access line re-run through the conduit, at minimal expense, when a successor franchisee orders service to its own pedestal through the same conduit to the same

The fact that IPPs may have themselves installed small pieces of conduit in connection with non-curbside phones is meaningless. Such conduit can be easily installed by any technician, and normally runs only a few feet from the IPP pedestal into an adjacent building basement. It is not a complicated effort, and does not require the penetration of any New York Tel manhole.

We have previously addressed New York Tel's claim that ECS is not its alter ego. ECS is a wholly owned subsidiary of New York Telephone, occupies the same offices as New York Telephone, utilizes the same attorneys as New York Telephone, and most likely has an interlocking directorate or common officers. It is unquestionably under the full and complete control of New York Telephone, and New York Telephone establishes the policies to be followed by ECS in dealing with New York Tel's competitors.[8]

In Section B of its pleadings, New York Tel argues, but utterly fails to prove, that special engineering work or construction is necessary to provide a PAL line to a curbside telephone. It should be clear that these "special construction charges" have

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location.

[8] New York Tel cites NYSCTA v. PSC, 87 A.D.2d 288 (3d Dept. 1982) to support its claim that ECS is not an instrumentality of New York Tel. However, as discussed above, there was no factual inquiry by the Court or the Commission concerning the actual control exercised by NYT. Furthermore, that case did not involve assertions by competitors of New York Telephone that ECS was being manipulated by New York Tel for anti-competitive purposes.

absolutely nothing to do with installation of conduit, but deal only with NYT's identification of circuit facilities, splicing inside the manhole, and pulling the wire through the conduit. The "tasks" set forth on pages 10 and 11 of NYT's letter are only marginally different from what New York Telephone personnel are required to do on other types of orders from a business customer. True, splicing is necessary inside the manhole. However, New York Tel grossly overstates the nature of the work required for that function.[9]

To the extent that any work needs to be done, it is mostly standard and routine, and does not require the preparation of special construction quotes at a non-refundable price of $225.

Indeed, the exorbitant and outrageous nature of NYT's "special construction charges" was demonstrated in the quotes submitted by IPANY as part of its May 12th Complaint. Astonishingly, NYT insists these quotes are only "estimates", and has the temerity to declare they were "determined without the aid of any specific information as to the precise tasks required for a particular job or any of the unique characteristics of the job" (NYT letter, pg. 18). That is absolutely ridiculous. The <u>purpose</u> of a special construction quote is to determine the specific cost

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[9] NYT also claims it will incur costs to check the availability of plant and identify the pairs to be used. However, much of that process is already automated, and is necessary on any order for a business line.

characteristics facing a particular job, and to inform a customer what it will cost him to obtain service. If New York Telephone is not basing its special construction quotes on "the precise tasks required for a particular job or any of the unique characteristics of the job", exactly what is it doing when it "calculates" a special construction quote - and charges the customer $225 for the worthless information?

New York Tel's suggestion that its estimates don't mean what they say, because the IPP can dispute the estimate, is absolute nonsense. First, New York Tel has a duty to get the estimate right in the first place - and not issue an outrageous high-ball number and hope the customer, out of ignorance, or mistaken impression that what the company says is accurate, offers no objection. These are not minor differences of opinion. As indicated in IPANY's Complaint, in one case New York Tel asserted - with a straight face - that 101 hours of work would be necessary for a particular installation. Because the particular IPP involved was fortunate enough to have the resources and expertise to be able to dispute that number, it was subsequently reduced to 6 hours. Smaller firms without their own expertise would not be so lucky, and NYT would have gotten away with this extortion.

The company also defends these outrageous quotes by claiming it has not actually issued any final bills. That is not surprising.

Because of the outrageous "estimates", IPPs have been scared off, and have not been able to go forward with the installations.

With respect to the company's claim that it has acted reasonably and promptly in performing the special construction work requested by IPPs, the record is again otherwise. In the cases cited by IPANY to the Commission, more than six months passed before New York Tel was able to install the requested lines. And, in recent conversations with one large company which has a number of service orders pending, NYT indicated it could install only thirty lines per month. That is not providing just, adequate and reasonable service.

Finally, New York Telephone has utterly failed to justify its demand that IPPs enter into long term commitment agreements, subject to severe termination penalties. While New York Tel asserts it is the IPPs which have requested those agreements, IPANY has no knowledge of such requests. And even if some IPP sought such an agreement, it was probably as an alternative to paying the special construction charges up front.

New York Tel indicates that the theory of termination charge liability is that if a customer prematurely discontinues service, the company might not be able to recover its special construction costs. That might, in fact, be a reasonable approach if New York Telephone did have to bear such costs. However, as discussed

above, the special construction costs which New York Telephone alleges it will incur are grossly inflated; more importantly, it is the IPP, not New York Tel, which will be paying for them. New York Telephone pays for nothing, and thus stands to lose nothing if the IPP discontinues service.

By forcing the IPP to pay all special construction and conduit charges up front, New York Tel has absolutely no risk, and does not need term contracts. Indeed, it gets a free ride on the next customer to reuse the installation which has already been paid for.

Finally, while the company admits it has "discussed the possibility" of termination charges with certain IPPs looking for curbside installations, it claims it has not been insisting on those agreements. But contrary to what has been cavalierly represented, IPANY has interpreted NYT's policy as demanding both the payment of special construction charges and the execution of long term contracts. NYT just hasn't bothered to actually provide the contract it demands be signed, on the grounds "its not ready yet", thus assuring further delay to its competitors.

Conclusion

New York Telephone's attempt to justify its unlawful conduct has failed. It has no basis to insist upon special construction

charges and termination liability contracts from IPPs. Finally, its conduct in deliberately issuing inflated special construction "estimates" - which the company now admits are not based upon actual cost or the work likely to be performed - is outrageous.

The relief requested by IPANY in its May 12, 1997, Complaint should be granted in its entirety.

Respectfully submitted,

Keith J. Roland

KJR:tlm
cc: Daniel M. Martin
Bruce Miller
Dennis Novick
Robert France
David S. Torrey
Robert P. Slevin

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State of New York
Public Service Commission

Case 97-C-____ - Complaint of the Independent Payphone Association of New York, Inc. Against New York Telephone Company for Breach of Sections 91 and 92 of the Public Service Law

RECEIVED
PUBLIC SERVICE COMMISSION
SECRETARY
97 MAY 12 PM 1:00

TO THE COMMISSION:

The Independent Payphone Association of New York, Inc. (IPANY) through the undersigned, its attorney, hereby formally complains against the deliberate and willful refusal of New York Telephone Company to provide service as mandated by the Public Service Law, and of New York Telephone Company's willful and deliberate imposition of rates, charges and fees not authorized by tariff in violation of Section 92 of the Public Service Law. In support thereof, it is respectfully shown as follows:

1. IPANY is a trade association representing owners and operators of independent pay telephones (IPPs). Its members connect their pay telephones to the public switched network through subscription to New York Telephone Public Access Lines (PALs) or Coin Compatible Public Access Lines (CCPALs)[1] obtained from New York Telephone under the terms of its PSC No. 900 - Telephone Tariff.

2. New York Telephone possesses monopoly power in the provision of such access lines, and is in a position to bar its competitors (the members of IPANY) from the public pay telephone market by refusing to provide such access lines, or by imposing

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[1] Pursuant to tariffs filed on December 31, 1996, which became effective on April 1, 1997, CCPAL lines are grandfathered, and replaced by Public Access SmartLine Service, (renamed Public Access Smart-pay Line Service) which offers the identical features. For purposes of consistency, the Coin Compatible access lines are referred to herein as CCPALS.

unjust, unreasonable, exorbitant and unduly discriminatory charges in connection with the provision of such access lines.

3. In the last several months, New York Telephone has, either directly or through its wholly owned subsidiary, Empire City Subway (ECS), willfully engaged in just such unlawful tactics, in gross violation of its obligations under the Public Service Law and the statutes prohibiting anti-competitive conduct.

4. PALs and CCPALs are service offerings contained in New York Telephone's PSC No. 900 - Telephone Tariff. (See, PSC No. 900 - Telephone Tariff, Section 3, Para. E and Para. G). The tariff sets forth recurring monthly charges, as well as ordering and installation charges of approximately $142 per line.[2] Under the Public Service Law, New York Telephone has an obligation to provide PAL and CCPAL lines, upon the request of any customer, at the rates, terms and conditions set forth in those tariffs. New York Telephone may not charge any rate other than as set forth in the tariff.

5. Until 1996, IPPs would install payphones on public rights-of-way in New York City by attaching a telephone instrument to the outside wall of a building, or by placing a telephone pedestal on the public sidewalk adjacent to the building. When pedestals were used, New York Telephone would run its access line from the adjacent building into a network interface device located in the pedestal. The charge to the IPP

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[2] NYT considers PAL and CCPAL lines to be "business lines", subject to the non-recurring charges applicable to 1-MB lines.

was a non-recurring installation charge of approximately $142 plus the recurring monthly rate for the PAL or CCPAL.

6. Since 1996, as a result of new franchise legislation in the City of New York, IPPs may now be placed at curbside adjacent to the public streets, in the same manner as New York Telephone payphones. However, New York Telephone has either refused to provide PAL and CCPAL access lines to those independent payphones, or else has demanded outrageous and unlawful up-front price quotation charges, special construction charges, and termination liability charges, in order to connect those IPPs to the network.

7. There are two aspects to the provision of PAL and CCPAL access lines to an IPP located at curbside.

8. First, conduit must be constructed to connect the pay telephone pedestal to an adjacent NYT manhole. A New York Tel access line is run through this conduit to the pedestal. Wires are not run to the pedestal until after the conduit is installed.

9. The second aspect is the actual connection of the access line in the manhole, and the pulling of the access line through the conduit to the pedestal.

10. With respect to the placement of conduit, New York Telephone asserts it is the IPP which is responsible for the construction and placement of that conduit. If correct, this would leave the IPP with two options for installing that conduit: using the services of an independent but certified contractor, or, alternatively, utilizing the services of Empire City Subway,

which owns and installs conduit in Manhattan.

11. Despite requests from IPPs that Empire City Subway provide a price quote for installing conduit, its officials have refused to provide such conduit - notwithstanding the fact that they do that exact work for New York Telephone. Furthermore, ECS has recently adopted onerous and anti-competitive practices intended to prevent independent contractors from installing conduit for IPPs.

12. IPANY believes that under New York Telephone's tariffs, NYT has the obligation to deliver the access line to the IPP "premises", which is the pedestal located on the public right-of-way. In this regard, a curbside pay telephone is comparable to an enclosed newsstand, to which both telephone and electric facilities are extended.

13. If the pay telephone pedestal were located adjacent to a building, or if a pedestal were placed inside a building, New York Tel would have the obligation to deliver the access line to those points. If the pay telephone is installed at curbside, and if conduit is required, that is part of NYT's responsibility to deliver service to the customer's premises.[3]

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[3] As indicated above, New York Telephone treats the PAL and CCPAL as simple business lines, and accordingly the standard installation charge set forth for business lines should apply. That charge was developed by averaging New York Telephone's installation costs for business lines amongst all of its customers, using various configurations, and recognizes New York Tel's obligation to bring its business line to the point of service desired by the customer at the customer's "premises". IPANY believes many NYT business customers are served through conduit installed by NYT, but are not separately charged for such conduit (as NYT proposes to do for IPPs). Instead, the cost of those conduits is included in the averaging process.

14. Resolution of whether the IPP or New York Telephone is responsible for installing conduit to a curbside pay telephone requires interpretation of NYT's tariffs, and IPANY requests a determination on that issue at this time. In addition, IPANY seeks a determination from the Commission that recent rules, regulations and charges established by ECS are unjust, unreasonable, anti-competitive, and in violation of NYT's obligations under the Public Service Law and the Telecommunications Act of 1996.[4]

15. In addition, IPANY seeks a determination that the charges New York Telephone is itself attempting to assess for the second function, i.e., connection of the access line in the manhole, and "pulling" the access line through the conduit, are unlawful.[5]

16. New York Telephone is now demanding absurd and outrageous up-front charges from IPPs before it will provide a PAL or CCPAL. These charges have nothing whatsoever to do with installation of conduit. They are being demanded by New York Tel for installation of the access line after the conduit has already been provided.

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[4] IPANY is aware that rates charged by ECS are set by the City of New York, and not this Commission. However, ECS is nothing but the alter ego of NYT, and under this Commission's general supervisory powers over NYT, it may direct NYT (acting through ECS) to establish practices which are just and reasonable.

[5] Once conduit has been installed between the pedestal and the manhole, the IPP or its contractor installs a "pull string" in that conduit to which New York Telephone attaches its access line. The New York Tel installer then uses that string to pull the access line through the conduit into the pedestal.

17. The appropriate tariff charge for installation of the access line is $142.00. However, New York Telephone has demanded that IPPs pay it for "facilities surveying" and "special engineering", and has demanded charges exceeding $6,000 for installation of service which should, by tariff, be installed for $142.00.

18. Furthermore, in total violation of its tariffs, New York Telephone is demanding that IPPs enter into long-term commitment agreements which require subscription to the PAL and CCPAL for a number of years, subject to severe termination penalties if service is discontinued prior to the multi-year period demanded by New York Tel. No such termination charges are authorized or permitted by tariff.

19. Because New York Tel claims that installation of the PAL or CCPAL access line, through a connection in a manhole, constitutes "special construction", it prepares a cost estimate of the charges for that "special construction". However, NYT won't even prepare such an estimate until the applicant pays a one time "engineering design charge", which is non-refundable, of $225.00 for each application.

20. New York Telephone has, in fact, prepared such "special construction" quotes for certain IPPs. The amounts demanded for installation of the access line, over and above any costs for installing conduit, have exceeded $6,000. A number of such cost estimates, prepared for Coastal Communication Service, are attached to this Complaint. Not only are the cost quotes illegal, they are absurdly inflated. As one example, in

connection with the installation of one particular facility at 57th Street and 7th Avenue in Manhattan, New York Telephone's "cost study" asserted the job would take 101 hours. When challenged by the IPP, New York Telephone admitted that only 6 hours of work would actually be required under a worst case scenario.

21. IPANY requests a determination by this Commission that New York Telephone's imposition of a charge to obtain a special construction quote, and its demand for special construction charges when installing a PAL or CCPAL line, is contrary to the company's tariffs and the Public Service Law.

22. There is little doubt New York Telephone's outrageous conduct is motivated by anti-competitive considerations. Not only is the company demanding outrageous and unlawful charges for installation of access lines, but even when an IPP is willing to pay those charges, it refuses to deliver service.

23. For example, the same company, Coastal Communication Service, has in fact made an advance payment to New York Telephone of $1,700 per line, under protest, to install PAL lines. Even though it has received these monies, New York Telephone has still refused to install the service.

24. The ability of an IPP to obtain a New York Tel PAL or CCPAL line promptly upon request is absolutely critical. Under provisions of the recently enacted New York City Franchise Act, pay telephone providers have a limited amount of time to actually install a pay telephone before a permit for installation

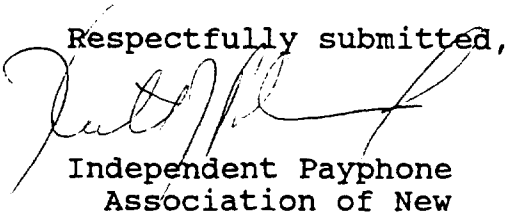
is revoked. If installation is not completed within sixty days of the initial grant of the permit, that permit may be revoked by the City, and the IPP will lose its location to another firm which, not coincidentally, may very well be New York Telephone. Thus, through extraordinary delays in conducting its "engineering surveys" and preparing "price quotes", and in demanding that IPPs pay outrageous and unlawful installation charges, New York Telephone is assuring that its competitors will have no opportunity to do business in the City of New York. Such conduct simply cannot be tolerated by this Commission.

25. IPANY's concerns have been brought to the attention of New York Telephone Company in several ways, including joint meetings with Commission Staff. However, the company is unwilling to correct its unlawful practices, and accordingly Commission intervention is required.

WHEREFORE, it is respectfully requested that the Commission (1) investigate and prohibit the unjust, unreasonable, unduly discriminatory and anti-competitive practices of NYT and Empire City Subway being used to preclude competition from IPPs, (2) issue a Cease and Desist Order against New York Telephone Company's unlawful assessment of charges for installation of PALs and CCPALs, (3) issue an Order directing New York Telephone to promptly install PAL and CCPAL service upon the request of an Independent Payphone Provider at the rates, terms and conditions set forth in the company's PSC No. 900 - Telephone Tariffs, and (4) commence a penalty action against NYT in the Supreme Court

seeking the maximum penalty permissible, applied each unlawful demand for payment and each refusal to provide service.

Respectfully submitted,



Independent Payphone
Association of New
York, Inc.
By: Keith J. Roland
Its Attorney
Roland, Fogel, Koblenz
& Carr, LLP
One Columbia Place
Albany, New York 12207
(518) 434-8112

Dated: Albany, New York
May 12, 1997

NYNEX
1095 Avenue of the Americas, Room 2631, New York, NY 10036
Tel 212 395 4135
Fax 212 921 5286

NYNEX

January 8, 1997

Mr. John Sweeney
Coastal Communication Service
9 Cross Road
Brookfield, Ct. 06804

Re: Public Pay Telephone Requests.

Dear Mr. Sweeney:

In reference to your seventy six newly requested applications, please be advised that all requests have been forwarded to NYNEX Engineering for manhole identification, circuit availability and pricing under the P. S. C. No. 900 Tariff.

As previously indicated the P. S. C. No. 900 Tariff, Section 1, 18th Revised Page 7, General Rules and Regulations, Application of Rates and Charges, Special Charges states the following:

SPECIAL CHARGES:

A one-time Engineering Design Charge (EDC) of $225.00 applies to each request for a Special Construction Quote. The charge will apply whether or not the customer elects to proceed with the installation, the labor rates applicable to the Special Construction will be offset by the Engineering Design Charge.

A review of your request indicates approximately thirty two (32) locations, two of which are duplicates of your original request. At a cost of $225.00 for each of the thirty (30) locations, your cost for the design quotes is $6,750.00.

Please forward your check, payable to NYNEX, to my attention, at the address indicated above. Upon receipt of your payment, NYNEX will undertake the research and provide details as to the serving manhole location and the Special Construction cost associated with your request.

Should you have any questions, I can be reached on (212) 395-8547 or call Jim Schafer on (212) 395-8541.

Yours truly,

Robert Mallon
Staff Director
Joint-Use / Licensee Administration

cc: L. Kline
L. Umland

GENERAL RULES AND REGULATIONS

A. APPLICATION OF RATES AND CHARGES (Cont'd)

5. Power Supply

The subscriber is responsible for providing suitable electric power at a suitable outlet when and where required.

Where the subscriber requires reserve power ready for use in the event of commercial power failures, the subscriber shall provide his own source of such power or, at the request of the subscriber, the Telephone Company will furnish battery supply, subject to availability of facilities, at charges based on cost.

In the event of a power failure, no allowance is made for interruption of the service.

6. Special Charges

In any case where the furnishing of facilities and service involves special installation work or unreasonable construction, maintenance or replacement costs or expenses on the part of the Telephone Company, the subscriber may be required to agree in writing to a termination charge liability which would apply in the event of disconnection prior to a specified period, or pay an installation charge or construction charge, monthly charge or any combination thereof, based on the additional costs and expenses involved. The subscriber may also be required to pay additional charges for work performed outside of regular working hours at the request of the subscriber.

Where the Telephone Company furnishes a facility or service for which a rate or charge is not specified in the Telephone Company's Tariffs, charges based on cost apply. Where such facilities or services have been furnished the applicable monthly charges are decreased by 2.05% for private line, wideband and mileage services. All other special assemblies remain unchanged. (D)

Overview

Special Construction	Special Construction is provided when a customer's requirement can not be met using New York Telephone's normal facilities and special facilities must be built. The expenses incurred by the company to build the special facilities are billed to the customer. These requests are usually for specific routing of outside plant for communications requirements as voice, data, audio video or program channels.
Advanced Customer Networks Pricing	- Rates and charges for Special Constructions are furnished through the Advanced Customer Networks Pricing (ACNP) organization. For information prior to issuance of the C-2855 the negotiator may call the appropriate Advanced Customer Networks Pricing personnel at the telephone number listed below: (212) 395-4029 - Central office based services (212) 395-7298 - Special Construction (212) 395-7297 - Audio and video broadcast services
Conditions Requiring Special Construction	Special Construction is required when a customer requests facilities that: - are not available to meet an order for service. - must be built by the Telephone Company with no future requirement anticipated. - must be furnished using a different route other than that which the Telephone Company normally utilize in furnishing service. - require construction be expedited, resulting in added cost to the Telephone Company. - are more than the normal amount required to satisfy an order.